

Message Text

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PAGE 01 STATE 184508
ORIGIN EB-08

INFO OCT-01 ARA-10 ISO-00 FEA-01 XMB-02 ERDA-05 AID-05
CEA-01 CIAE-00 COME-00 DODE-00 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-05 OES-07
SP-02 SS-15 STR-04 TRSE-00 ACDA-07 NSCE-00 SSO-00
USIE-00 INRE-00 /096 R

DRAFTED BY EB/ORF/FSE:PKBULLEN:LV
APPROVED BY EB/ORF/FSE:GROSEN
FEA:MSOLIMAN
XMB:RCRAFTON

-----125120 052223Z /72

O 052213Z AUG 77
FM SECSTATE WASHDC
TO AMEMBASSY MEXICO IMMEDIATE

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E.O. 11652: N/A

TAGS: ENRG, MX

SUBJECT: NATURAL GAS PIPELINE

REF: MEXICO 12863, 12968

1) WE HAVE SOME FURTHER INFORMATION ON TERMS OF
MEMORANDUM OF INTENT SIGNED BY PEMEX AND US GAS TRANSMISSION
COMPANIES. MEMORANDUM ENVISAGES CONTRACT FOR SIX-YEAR
TERM, FOR WHICH START DATE NOT YET FIRM, WITH SIX YEAR
EXTENSION IF GROUP MEETS BEST COMPETING OFFER FOR GAS
AT THAT TIME. COMPANIES SHARES TO BE AS FOLLOWS:
TENNECO - 37.5 PERCENT; TEXAS EASTERN - 27.5 PERCENT;
EL PASO - 15 PERCENT; TRANSCO - 10 PERCENT; FLORIDA
GAS AND SOUTHERN NATURAL RESOURCES WOULD SHARE REMAINING
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10 PERCENT. AS INDICATED REFTL, MEMORANDUM ENVISAGES
PRICING BASED ON PRICE OF NO. 2 HEATING OIL IN NEW
YORK HARBOR. ACTUAL CONTRACT TO BE NEGOTIATED BY
DECEMBER 1977.

2) UNDERSTAND FROM COMPANIES THAT PEMEX HAS ASKED THEM
TO ARRANGE 500 MILLION DOLLARS IN FINANCING FOR PIPE-

LINE. COMPANIES WILL BE DISCUSSING THIS WITH ONE
ANOTHER NEXT WEEK WITH VIEW TO MAKE SOME SORT OF COUNTER-
OFFER.

3) AS EMBASSY KNOWS, PRICING PROPOSAL POSES SERIOUS
PROBLEMS. USG ATTITUDE TOWARD THIS PROPOSAL AND
RELATED ISSUES WILL BE UNDER REVIEW NEXT WEEK.

4) EXIMBANK REPRESENTATIVES RENGERS AND MACKENZIE
ARE SCHEDULED ARRIVE MEXICO CITY SUNDAY AUGUST 7 AND
HAVE BEEN IN PHONE CONTACT WITH PASCOE OF EMBASSY. CHRISTOPHER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATURAL GAS, PETROLEUM INDUSTRY, GAS PIPELINES, CONTRACTS
Control Number: n/a
Copy: SINGLE
Sent Date: 05-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE184508
Document Source: CORE
Document Unique ID: 00
Drafter: PKBULLEN:LV
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770281-1058
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770891/aaaacyto.tel
Line Count: 73
Litigation Code IDs:
Litigation Codes:
Litigation History:
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Original Classification: LIMITED OFFICIAL USE
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Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: 77 MEXICO 12863
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1692725
Secure: OPEN
Status: NATIVE
Subject: NATURAL GAS PIPELINE
TAGS: ENRG, MX, US, PEMEX
To: MEXICO
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/2e58e360-c288-dd11-92da-001cc4696bcc
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